January 18, 2000

Dockets Facility, U.S. Department of Transportation, Room PL-401
400 Seventh Street SW
Washington DC 20590-0001

RE: [Docket No. RSPA-99-6355; Notice 1 & Notice 2]
Pipeline Safety: Enhance Safety and Environmental Protection for
Gas Transmission and Hazardous Liquid Pipelines in
High Consequence Areas

Williams Gas Pipelines (WGP) is engaged in the transportation and storage of natural gas in interstate commerce. WGP is one of the largest interstate natural gas pipeline systems in the United States, with approximately 27,000 miles of transmission pipeline operating in 35 states and delivering approximately 16% of all natural gas used. WGP operates virtually coast to coast in many environments and conditions.

WGP is responding to OPS's request for comments on enhancing safety and environmental protection in High Consequence Areas (HCA's).

In direct response to some of the questions raised in the notice, we offer the following comments:

The basis for virtually all proposed activities mentioned in the docket centers around the definition of HCA's. WGP is prepared to work in partnership with OPS to define HCA's and apply appropriate measures to protect these areas if additional activities are warranted. At this point, WGP cannot comment as to the costs to implement further testing or benefits to public safety or the environment from further testing until a definition is complete. Additionally, WGP cannot present an effective suggested regulatory approach until a HCA is defined.

WGP can comment that any proposed rulemaking should be supported by cost/benefit analysis and should consider both likelihood and consequence of failure rather than a rule focused only on consequences.

WGP History in Existing DOT Defined Higher Consequence Areas

1. WGP has not had an incident in a Class III or Class IV area in over 15 years that would

have been prevented by internal inspection or strength testing.
3. The cost for WGP to internally inspect all of its Class III and Class IV areas just one time is estimated at over $200 million.
4. The days of outage causing impacts to customers' gas deliveries due to internal inspection just one time in Class III and Class IV areas is estimated at 3,000 to 5,000 days.

Given the excellent safety record in Class III and Class IV areas achieved by WGP and the industry, it is believed appropriate to question what true benefit would be achieved by OPS "mandating" via regulation, a single testing rule, such as one that would require internal inspection and/or hydrotesting, for "high consequence areas" if it will not significantly improve pipeline safety. Such a rule has the potential to divert necessary resources away from high-risk areas where both probabilities of occurrence and consequences have been considered. OPS and the industry have invested a significant amount of resources on the risk management effort. Risk management's basic premise is that risk is a function of probability times consequence. Focusing only on consequence dilutes the focus on total risk. For WGP, the tremendous expense to internally inspect and/or perform hydrostatic testing would not allow us to implement other pipeline integrity efforts even though these other efforts may have a higher benefit. WGP feels that the adverse impacts of mandatory testing on customers and landowners would be significant in terms of business interruption and environmental impacts.

Overview of WGP's Integrity Management Program

Integrity Assessment

WGP is firmly committed to operating with a comprehensive risk management program, which gives us the ability to assess the risks and consequences of failure of our pipelines on a relative basis. We do not believe that risk can be eliminated or that the integrity of pipelines can be fully verified with current technology. We do believe that the risk of failure can be reduced through risk control activities such as hydrotesting, pipe replacement, line lowering, pipeline re-routing, over pressure protection, third party damage prevention, surveillance, public education programs, geologic hazard monitoring, pipeline inspections whenever the pipeline is exposed, stress corrosion cracking inspections, leak detection and internal inspections. All areas that are currently considered as higher consequence areas by existing code operate with increased design and monitoring safety factors of which WGP meets at a minimum and exceeds based on our assessment of the system. WGP has historically utilized risk management principals in determining where pipeline integrity dollars are spent on its system. Additionally, WGP has been developing integrity assessment tools for the past five years and continues to improve upon the methodology, data quality and integration. These tools are developing and the data necessary for a more detailed and comprehensive approach has become available. WGP has been transitioning its decision making to take advantage of computer modeling to aid in determining where integrity dollars need to be spent.

Integration of Data

Our integrity assessment program provides integrated data to determine where resources are allocated that will achieve the greatest levels of safety and reliability. WGP utilizes numerous data points that result from direct and indirect testing listed below:

- Close interval surveys
- Depolarization surveys
- Geometry inspection surveys
- Magnetic Flux inspection surveys
- Annual corrosion surveys
- SCC Testing
- Pipe Exposure Inspections
- Remote Monitoring for Land Movement

WGP also draws upon the history of our system to aid in the ability to understand the needs of the system such as damage history, leak history, corrosion history, and third party damage history.

WGP has always drawn upon the above mentioned methodologies to determine the need for further investigation of its system by relying upon our extensive knowledge and expertise of personnel. WGP is continuing to refine this process and is taking advantage of the tools that the information age is making available to us, which enhances our ability to assess the information in a logically defined fashion.

Northwest Pipeline Corporation (Northwest), one of the WGP companies, is currently working in partnership with DOT in the Risk Management Demonstration Program (RMDP) in an effort to provide higher levels of public safety and environmental protection. We believe this program is increasing our ability to achieve higher levels of protection to both public safety and the environment by comprehensively assessing the risks to areas and targeting risk control solutions that can best reduce those risks. The other WGP companies are developing this integrated process drawing upon the lessons learned at Northwest.

Programs such as the RMDP and common ground initiatives are very good programs that WGP fully supports and need additional time to fully evaluate the benefits and the application to industry for additional improvements in pipeline safety and environmental protection.

WGP is a strong proponent of integrity management and has a long-standing, proactive integrity management program in place. We do, however, also believe that 49CFR192, in specific, was developed on this principle and goes a long way to prescribe appropriate integrity management efforts in and of itself. Fundamentally, it is essential that the integrity benefits, unique to 49CFR192, be identified and their impact quantified. Among these unique requirements is the fact that 49CFR192 already defines consequence areas through class designation and defines remedial efforts for those higher consequence areas.

Conclusion

WGP is committed to maintaining the integrity of its pipelines through working with OPS, the states and other stakeholders to immediately begin the development of any additions to and/or modifications of the pipeline safety regulations. WGP invites the opportunity to work with OPS in the development of a definition for HCA's. Once HCA's are defined a valid approach to pipeline testing may be developed.

Sincerely,

J. Sean Black
Risk Management Engineer